(b) to (d) Information is being collected and will be laid on the Table of the House.

Rate of Interest on Loans to States

913. SHRIMATI AMBIKA SONI:
SHRI SANTOSH BAGRODIA:
SHRI GHULAM NABI AZAD:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the rate of interest on loan extended to States as 70 per cent of plan assistance and other Central loan continues to be 11.5 per cent:

(b) whether it was announced while presenting the 2002-03 Budget that the rate of interest against different loans to States would be reduced which was much appreciated by various States;

(c) if so, the reasons for not reducing the rate of interest on the above said loans; and

(d) by when the same would be reduced and implemented?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) No, Sir.

(b) Yes, Sir.

(c) Does not arise.

(d) The rate of interest of loan extended to States as 70 percent of plan assistance and other central loans had already been reduced from 12.00% to 11.50% and from 11.50% to 10.50% *w.e.f.* 1.4.2002 and 1.4.2003 respectively.

Loan Repayment Liability of States

914. SHRIMATI AMBIKA SONI:
SHRI SANTOSH BAGRODIA:
SHRI GHULAM NABI AZAD:
SHRI SURESH KALMADI:

Will the Minister of FINANCE be pleased to state:

(a) whether Government realize that loan repayment liability of States

is the most significant burden after revised salary bill in revenue expenditure of States;

(b) if so, whether Government have any plans to convert all existing loan into block loan in order to recalculate and reduce the interest on this block loan;

(c) if so, by when the same would be done;

(d) if not, the reasons therefor; and

(e) whether Government have any plans to fix five years for repayment of this block loan and one year for repayment of the interest?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) Yes, Sir.

(b) and (c) No such proposal is currently under consideration of the Government.

(d) and (e) Debt relief is guided by the recommendation of the Finance Commission. The Twelfth Finance Commission (TFC) is mandated to assess the debt position of the States as on 31st March, 2004 and suggest such corrective measures, as are deemed necessary for macro economic stability and debt sustainability.

Conditions for Opening of Co-operative Banks

915. SHRI RAMA MUNI REDDY SIRIGIREDDY:
SHRI K. RAMA MOHANA RAO:

Will the Minister of FINANCE be pleased to state:

(a) what are the conditions to start as under co-operative bank;

(b) whether an urban co-operative bank can be started without obtaining any licence from RBI;

(c) the number of urban co-operative banks in the country which are running without obtaining licence from RBI, State-wise; and

(d) the total amount of deposits in the urban co-operative banks in the country, State-wise?